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HOUSE BILL 694

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Leo C. Watchman

FOR THE INDIAN AFFAIRS COMMITTEE

AN ACT

RELATING TO TAXATION; CREATING A DUAL TAXATION STUDY TASK
FORCE; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. DUAL TAXATION STUDY TASK FORCE CREATED. -- The
"dual taxation study task force" is created. The task force
shall function from the date of its creation until December 1
prior to the second session of the forty-fifth legislature.

Section 2. MEMBERSHIP--PER DIEM AND MILEAGE-- OFFICERS. --

A. The dual taxation study task force shall be
composed of eighteen voting members as follows:

- (1) six members appointed by the governor;
- (2) a representative appointed by the
president of the Navajo nation;
- (3) a representative appointed by the speaker

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1 of the Navajo nation council;

2 (4) a representative appointed by the
3 Jicarilla Apache tribal council;

4 (5) a representative appointed by the
5 Mescalero Apache tribal council;

6 (6) two representatives appointed by the all-
7 Indian pueblo council;

8 (7) two members of the house of
9 representatives appointed by the speaker, one a Native
10 American and one a member of the house taxation and revenue
11 committee from the minority party after consultation with the
12 minority floor leader;

13 (8) two members of the senate appointed by
14 the president pro tempore, one a Native American and one a
15 member of the senate ways and means committee from the
16 minority party after consultation with the minority floor
17 leader;

18 (9) the chairman of the house taxation and
19 revenue committee or his designee from the committee; and

20 (10) the chairman of the senate ways and
21 means committee or his designee from the committee.

22 B. Vacancies shall be filled by the original
23 appointing authorities.

24 C. Members appointed by the governor who are not
25 state agency representatives or who are appointed by an Indian

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1 nation, tribe or pueblo shall receive per diem and mileage
2 pursuant to the provisions of the Per Diem and Mileage Act and
3 shall receive no other compensation, perquisite or allowance
4 for authorized work performed as a member of the task force.

5 D. There shall be two co-chairmen appointed by the
6 president pro tempore of the senate and the speaker of the
7 house of representatives.

8 E. Staff for the task force shall be provided by
9 the legislative council service.

10 F. Advisory members may be appointed by any of the
11 appointing authorities upon approval of a majority of the task
12 force. Advisory members may receive per diem and mileage but
13 shall not be voting members of the task force.

14 Section 3. DUTIES.--The dual taxation study task force
15 shall, to the extent reasonably possible:

16 A. conduct studies of state and tribal dual
17 taxation in New Mexico, the laws governing dual taxation and
18 the socioeconomic and fiscal impacts on the state and on
19 Indian nations, tribes and pueblos located in the state;

20 B. identify taxes imposed by the state and by a
21 tribe that create a dual taxation burden on businesses located
22 on tribal land;

23 C. identify the annual dollar amount of all state
24 and tribal taxes received from business activities in Indian
25 country, including the taxation on production, income and

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1 property from non-Indian owned businesses under contract with
2 Indian nations, tribes or pueblos;

3 D. quantify in dollars the annual level of
4 services and capital improvements provided by the state to
5 each of the Indian nations, tribes or pueblos since 1957;

6 E. examine and quantify in dollars the economic
7 costs and benefits of Indian country economies on the economy
8 and budget of the state;

9 F. identify and quantify the amount of tax dollars
10 paid by Indian people to the state, including gross receipts
11 tax, gasoline tax on purchases of fuel, income tax on income
12 earned by Indian people earning from sources off their own
13 tribal lands, excise taxes, license and vehicle registration
14 fees and any other tax that is paid by Indian people to the
15 state;

16 G. identify and quantify the amount of tax dollars
17 paid by non-Indian people to the state from a business or any
18 economic activity in Indian country to the state;

19 H. identify and quantify the dollar amount paid by
20 non-Indian people to governments of Indian nations, tribes or
21 pueblos;

22 I. determine the impact of dual taxation on the
23 production of energy resources in Indian country;

24 J. examine and quantify the costs and benefits of
25 the state's economy, population and off-reservation state

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1 services on Indian country economies;

2 K. determine if Indian nations, tribes or pueblos
3 or the state are disadvantaged in attracting investment
4 capital due to the presence of dual taxation;

5 L. determine if dual taxation impairs development
6 and growth of existing markets for products from Indian
7 country when compared with development and growth of markets
8 for similar products from non-Indian country;

9 M identify and evaluate alternative methods of
10 approaching severance and other types of taxation, including
11 property and income, on lands both within the state and in
12 Indian country, and determine the status of taxation by the
13 state or Indian nations, tribes or pueblos where mineral,
14 energy resource or other businesses are under development in
15 Indian country;

16 N. determine if there are feasible means of
17 providing incentives to attract industries to locate in Indian
18 country and determine the use of state incentives by
19 industries in Indian country;

20 O. identify the roles that the state and Indian
21 nations, tribes and pueblos should be playing in promoting
22 development, production and marketing of industries in Indian
23 country;

24 P. determine and quantify in dollars the costs and
25 benefits of having Indian communities in the state on state

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1 social and educational programs, including the input of
2 federal dollars and the use of state programs by Indian
3 people;

4 Q. identify tax policies and procedures that can
5 be implemented by the state and the Indian nations, tribes and
6 pueblos to provide socioeconomic and fiscal benefits to those
7 entities and areas of cooperation among those entities to
8 facilitate the collection of taxes owed to those governments;

9 R. develop proposals to be submitted to the Navajo
10 nation, Jicarilla Apache tribe, Mescalero Apache tribe, all-
11 Indian pueblo council, eight northern Indian pueblos council,
12 ten southern Indian pueblos council, the governor of the state
13 and the legislature proposing changes in laws or ordinances
14 that can be implemented to promote economic development and
15 reduce dual taxation; and

16 S. submit a written report to the second session
17 of the forty-fifth legislature and the governing bodies of the
18 Indian nations, tribes and pueblos in New Mexico stating the
19 findings, conclusions and proposals for beneficial changes in
20 law or ordinances that developed from the work of the task
21 force.

22 Section 4. APPROPRIATION. -- One hundred sixty-two
23 thousand dollars (\$162,000) is appropriated from the general
24 fund to the legislative council service for expenditure in
25 fiscal years 1999 through 2001 for the purpose of purchasing

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1 supplies, paying the salaries and expenses of technical, legal
2 and clerical contractors or support staff and for reimbursing
3 per diem and mileage of members of the dual taxation study
4 task force, including advisory and Indian members. Any
5 unexpended or unencumbered balance remaining at the end of
6 fiscal year 2001 shall revert to the general fund.

7 Section 5. EMERGENCY.--It is necessary for the public
8 peace, health and safety that this act take effect
9 immediately.